

MOR-1

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034 45-11
PROPOSED PLAN DATE: 5/15/2011

UNITED STATES BANKRUPTCY COURT

PETITION DATE: 10/4/2010 10:29
DISTRICT OF TEXAS: SOUTHERN
DIVISION: HOUSTON

MONTHLY OPERATING REPORT SUMMARY FOR MON: DECEMBER YEAR 2010

	MONTH	Oct-10	30-Nov-10	12/31/2010		
REVENUES (MOR-6)		32,705.20	51,891.85	43,934.48	0.00	0.00
INCOME BEFORE INT; DEPREC./TAX (MOR-6)		508.75	16,335.22	13,187.44	0.00	0.00
NET INCOME (LOSS) (MOR-6)		508.75	3,558.50	410.72	0.00	0.00
PAYMENTS TO INSIDERS (MOR-9)		0.00	0.00	0.00	0.00	0.00
PAYMENTS TO PROFESSIONALS (MOR-9)		0.00	0.00	0.00	0.00	0.00
TOTAL DISBURSEMENTS (MOR-8)		32,196.45	48,333.35	43,523.76	0.00	0.00

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

REQUIRED INSURANCE MAINTAINED		EXP. DATE
AS OF SIGNATURE DATE		
CASUALTY	YES () NO ()	<u>01-01-2011</u>
LIABILITY	YES () NO ()	<u>01-01-2011</u>
VEHICLE N/A	YES () NO ()	<u>01-01-2011</u>
WORKER'S	YES () NO ()	<u>01-01-2011</u>
OTHER	YES () NO ()	<u>01-01-2011</u>

CIRCLE ONE

Are all accounts receivable being collected within terms?

☒ Yes ☐ No

Are all post-petition liabilities, including taxes, being paid within terms?

☒ Yes ☐ No

Have any pre-petition liabilities been paid?

☒ Yes ☐ No

If so, describe

Are all funds received being deposited into DIP bank accounts?

☒ Yes ☐ No

Were any assets disposed of outside the normal course of business?

☒ Yes ☐ No

If so, describe

Are all U.S. Trustee Quarterly Fee Payments current?

☒ Yes ☐ No

What is the status of your Plan of Reorganization?

ATTORNEY NAME: CALVIN BRAUN
FIRM NAME: ORLANDO & BRAUN
ADDRESS: 3401 ALLEN PARKWAY
SUITE 101
CITY, STATE, ZIP: HOUSTON, TEXAS 77019
TELEPHONE/FAX: 713-521-0800 / 713-521-0842

I certify under penalty of perjury that the following complete
Monthly Operating Report (MOR), consisting of MOR-1 through
MOR-9 plus attachments, is true and correct.

SIGNE: Walden Davis Jr. TITLE: Debtor
(OBJECT SIGNATURE)

WALDEN DAVIS, JR.
(PRINT NAME OF SIGNATORY) DATE: 04-07-2011 Revised 07/01/98

MOR-1

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	10/4/2010 0:00	10/31/2010 0:00	11/30/2010 0:00	12/31/2010 0:00			
CURRENT ASSETS							
Cash	0.00	508.75	4,067.25	4,477.97			
Accounts Receivable, Net	0.00	8,987.00	2,561.15	1,665.67			
Inventory: Lower of Cost or Market	7,500.00	7,500.00	7,500.00	7,500.00			
Prepaid Expenses	1,140.00	1,140.00	1,140.00	1,140.00			
Investments	0.00	0.00	0.00	0.00			
Other							
TOTAL CURRENT ASSETS	8,640.00	18,135.75	15,268.40	14,783.64	0.00	0.00	0.00
PROPERTY, PLANT & EQUIP. @ COST	2,615,000.00	2,615,000.00	2,615,000.00	2,615,000.00			
Less Accumulated Depreciation							
NET BOOK VALUE OF PP & E	2,615,000.00	2,615,000.00	2,615,000.00	2,615,000.00	0.00	0.00	0.00
OTHER ASSETS							
1. Tax Deposits	0.00	0.00	3,189.22	4,622.76			
2. Investments in Subsidiaries	0.00	0.00	0.00	0.00			
3. Electric Deposit	11,000.00	11,000.00	11,000.00	11,000.00			
4.							
TOTAL ASSETS	\$2,634,640.00	\$2,644,135.75	\$2,644,457.62	\$2,645,406.40	\$0.00	\$0.00	\$0.00

* Per Schedules and Statement of Affairs

MOR-2

Revised 07/01/98

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S EQUITY	FILING DATE*	MONTH 10/31/2010 0:00	MONTH 11/30/2010 0:00	MONTH 12/31/2010 0:00	MONTH	MONTH	MONTH
LIABILITIES							
POST-PETITION LIABILITIES(MOR-4)	0.00	1,313,358.67	1,320,117.25	1,338,911.78			
PRE-PETITION LIABILITIES							
Notes Payable - Secured	1,301,670.36	0.00	0.00	0.00			
Priority Debt	0.00	0.00	0.00	0.00			
Federal Income Tax	0.00	0.00	295.00	543.00			
FICA/Withholding	0.00	94.60	395.11	900.54			
Unsecured Debt	14,339.94	14,339.94	15,978.25	15,501.10			
Other: Accured Interest & Property Taxes							
TOTAL PRE-PETITION LIABILITIES	1,316,010.30	14,434.54	16,668.36	16,944.64	0.00	0.00	0.00
TOTAL LIABILITIES	1,316,010.30	1,327,793.21	1,336,785.61	1,355,856.42	0.00	0.00	0.00
OWNER'S EQUITY (DEFICIT)							
PREFERRED STOCK	0.00	0.00	0.00	0.00			
COMMON STOCK	0.00	0.00	0.00	0.00			
ADDITIONAL PAID-IN CAPITAL	0.00	0.00	0.00	0.00			
RETAINED EARNINGS: Filing Date	1,318,629.70	1,315,833.58	1,303,282.68	1,285,072.21			
RETAINED EARNINGS: Post Filing Date		508.75	4,067.25	4,477.97			
TOTAL OWNER'S EQUITY (NET WORTH)	1,318,629.70	1,316,342.33	1,307,349.93	1,289,550.18	0.00	0.00	0.00
TOTAL LIABILITIES & OWNERS EQUITY	\$2,634,640.00	\$2,644,135.54	\$2,644,135.54	\$2,645,406.60	\$0.00	\$0.00	\$0.00

* Per Schedules and Statement of Affairs

MOR-3

Revised 07/01/98

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

SCHEDULE OF POST-PETITION LIABILITIES

	MONTH 10-31-201	MONTH 11/30/2010	MONTH 12/31/2010	MONTH	MONTH	MONTH
TRADE ACCOUNTS PAYABLE	1,790.84	1,790.84	19,091.90			
TAX PAYABLE						
Federal Payroll Taxes	94.60	690.11	1,433.54			
State Payroll Taxes	0.00	0.00	0.00			
Ad Valorem Taxes	0.00	0.00	0.00			
Other Taxes Real Estate	3,189.22	3,189.22	3,939.26			
TOTAL TAXES PAYABLE	3,283.82	3,879.33	5,372.80	0.00	0.00	0.00
SECURED DEBT POST-PETITION	1,301,670.36	1,301,670.36	1,301,670.36			
ACCRUED INTEREST PAYABLE	6,613.65	6,706.46	6,706.46			
ACCRUED PROFESSIONAL FEES*	0.00	0.00	0.00			
OTHER ACCRUED LIABILITIES						
1. Mortgage Escrow Payments to Secured Lienholder		6,070.26	6,070.26			
2.						
3.						
TOTAL POST-PETITION LIABILITIES (MOR-3)	\$1,313,358.67	\$1,320,117.25	\$1,338,911.78	\$0.00	\$0.00	\$0.00

*Payment requires Court Approval

MOR-4

Revised 07/01/98

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

AGING OF POST-PETITION LIABILITIES

MONTH Dec-10

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	MONTH
0-30	6,542.40	1,169.60	1,433.54	0.00	3,189.22	750.04
31-60	0.00	1,782.00				
61-90	12,549.50	12,549.50				
91+	0.00	0.00				
TOTAL	\$19,091.90	\$15,501.10	\$1,433.54	\$0.00	\$3,189.22	\$750.04

AGING OF ACCOUNTS RECEIVABLE

MONTH	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
0-30 DAYS	8,987.00	2,561.15	0.00			
31-60 DAYS	0.00	4,875.67	0.00			
61-90 DAYS	0.00		1,665.67			
91+ DAYS	0.00					
TOTAL	\$8,987.00	\$7,436.82	\$1,665.67	\$0.00	\$0.00	\$0.00

MOR-5

Revised 07/01/98

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

STATEMENT OF INCOME (LOSS)

	MONTH	Oct-10	MONTH	Nov-10	MONTH	Dec-10	MONTH	MONTH	MONTH	MONTH	MONTH	FILING TO DATE
REVENUES (MOR-1)		32,705.20		51,891.85		43,934.48						128,531.53
TOTAL COST OF REVENUES												0.00
GROSS PROFIT		32,705.20		51,891.85		43,934.48		0.00	0.00	0.00		128,531.53
OPERATING EXPENSES:												
Selling & Marketing												0.00
General & Administrative		8,500.12		18,143.64		14,418.24						41,062.00
Insiders Compensation		0.00		0.00		0.00						0.00
Professional Fees		0.00		0.00		0.00						0.00
Other: Repairs, Maintenance, Contract Lab		15,506.78		3,929.02		3,609.80						23,045.60
Other: Utilities (Water, Sewer, Waste Mgm)		8,189.55		13,483.97		12,719.00						34,392.52
TOTAL OPERATING EXPENSES		32,196.45		35,556.63		30,747.04		0.00	0.00	0.00		98,500.12
INCOME BEFORE INT, DEPR/TAX (MOR-1)		508.75		16,335.22		13,187.44		0.00	0.00	0.00		30,031.41
INTEREST EXPENSE				6,706.46		6,706.46						13,412.92
DEPRECIATION												0.00
OTHER (INCOME) EXPENSE*				6,070.26		6,070.26						12,140.52
OTHER ITEMS**												0.00
TOTAL INT, DEPR & OTHER ITEMS		0.00		12,776.72		12,776.72		0.00	0.00	0.00		25,553.44
NET INCOME BEFORE TAXES		508.75		3,558.50		410.72		0.00	0.00	0.00		4,477.97
FEDERAL INCOME TAXES												0.00
NET INCOME (LOSS) (MOR-1)		\$508.75		\$3,558.50		\$410.72		\$0.00	\$0.00	\$0.00		\$4,477.97

Accrual Accounting Required, Otherwise Footnote with Explanation.

* Footnote Mandatory. Required escrow payment to to Secured Lienholder (Mortgage) - Wells Fargo

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

MOR-6

Revised 07/01/08

CASE NAME: DAUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

CASH RECEIPTS AND DISBURSEMENTS	MONTH Oct-10	MONTH Nov-10	MONTH Dec-10	MONTH	MONTH	MONTH	FILING TO DATE 10-31-2010
1. CASH-BEGINNING OF MONTH	\$0.00	\$508.75	\$4,067.25	\$4,477.97	\$4,477.97	\$4,477.97	\$0.00
RECEIPTS:							
2. CASH SALES	24,885.40	31,714.75	32,363.97				88,964.12
3. COLLECTION OF ACCOUNTS RECEIVABLE							0.00
4. LOANS & ADVANCES (attach list)							0.00
5. SALE OF ASSETS							0.00
6. OTHER (attach list)	7,819.80	8,685.85	11,570.51				28,076.16
TOTAL RECEIPTS**	32,705.20	40,400.60	43,934.48	0.00	0.00	0.00	117,040.28
(Withdrawal) Contribution by Individual Debtor MFR-2*		11,491.25					11,491.25
DISBURSEMENTS:							
7. NET PAYROLL	3,774.23	4,651.45	5,783.91				14,209.59
8. PAYROLL TAXES PAID	94.60	690.11	1,433.54				2,218.25
9. SALES, USE & OTHER TAXES PAID							0.00
10. SECURED/RENTAL/LEASES		12,776.72	12,776.72				25,553.44
11. UTILITIES & TELEPHONE	8,189.55	13,483.97	12,719.00				34,392.52
12. INSURANCE			4,382.00				4,382.00
13. INVENTORY PURCHASES							0.00
14. VEHICLE EXPENSES		154.30					154.30
15. TRAVEL & ENTERTAINMENT		349.94					349.94
16. REPAIRS, MAINTENANCE & SUPPLIES	15,506.78	3,929.02	3,609.80				23,045.60
17. ADMINISTRATIVE & SELLING	4,631.29	12,297.84	2,818.79				19,747.92
18. OTHER (attach list)							0.00
TOTAL DISBURSEMENTS FROM OPERATIONS	32,196.45	48,333.35	43,523.76	0.00	0.00	0.00	124,053.56
19. PROFESSIONAL FEES							0.00
20. U.S. TRUSTEE FEES							0.00
21. OTHER REORGANIZATION EXPENSES (attach list)							0.00
TOTAL DISBURSEMENTS**	32,196.45	48,333.35	43,523.76	0.00	0.00	0.00	124,053.56
22. NET CASH FLOW	508.75	3,558.50	410.72	0.00	0.00	0.00	4,477.97
23. CASH - END OF MONTH (MOR-2)	\$508.75	\$4,067.25	\$4,477.97	\$4,477.97	\$4,477.97	\$4,477.97	\$4,477.97

* Applies to Individual debtors only

**Numbers for the current month should balance (match)

RECEIPTS and CHECKS/OTHER DISBURSEMENTS lines on MOR-8

Revised 07/01/98

MOR-7

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

CASH ACCOUNT RECONCILIATION
MONTH OF Dec-10

BANK NAME	CHASE	#	PAYROLL	#	TAX	OTHER FUNDS	TOTAL
ACCOUNT NUMBER	# 854580865						
ACCOUNT TYPE	OPERATING						
BANK BALANCE	12,386.73	0.00		0.00		0.00	\$12,386.73
DEPOSITS IN TRANSIT	0.00	0.00		0.00		0.00	\$0.00
OUTSTANDING CHECKS	11,435.05	0.00		0.00		0.00	\$11,435.05
ADJUSTED BANK BALANCE	\$951.68	\$0.00		\$0.00		\$0.00	\$951.68
BEGINNING CASH - PER BOOKS	4,067.25						\$4,067.25
RECEIPTS*	43,934.48						\$43,934.48
TRANSFERS BETWEEN ACCOUNTS (WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2	0						\$0.00
CHECKS/OTHER DISBURSEMENTS*	-43,523.76						(\$43,523.76)
ENDING CASH - PER BOOKS	\$4,477.97			\$0.00		\$0.00	\$4,477.97

MOR-8

*Numbers should balance (match) TOTAL RECEIPTS and
TOTAL DISBURSEMENTS lines on MOR-7

Revised 07/01/98

CASE NAME: D'AUR PROPERTIES, LLC
CASE NUMBER: 10-39034-45-11

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals. Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	MONTH	Oct-10	MONTH	Nov-10	MONTH	Dec-10	MONTH	MONTH	MONTH
1. NONE		0.00		0.00		0.00			
2.									
3.									
4.									
5.									
6.									
TOTAL INSIDERS (MOR-1)		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00

PROFESSIONALS	MONTH	Oct-10	MONTH	Nov-10	MONTH	Dec-10	MONTH	MONTH	MONTH
1. NONE		0.00		0.00		0.00			
2.									
3.									
4.									
5.									
6.									
TOTAL PROFESSIONALS (MOR-1)		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00

MOR-9

Revised 07/01/98